

**JOINT MEETING  
COMMITTEE ON HUMAN RESOURCES/INSURANCE  
AND  
COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS**

**January 12, 2005**

**6:00 PM**

Chairman Shea called the meeting to order.

The Clerk called the roll.

Present: Aldermen Shea, Sysyn, DeVries, Forest, Osborne, Porter Lopez

Absent: Aldermen Garrity and Gatsas

Messrs.: Mayor Baines, Alderman Roy, Elias "Skip" Ashooh, Jane Hills, Virginia Lamberton, Mike Colby, Leon LaFreniere, Bill Jabjiniak, Robert MacKenzie, Tom Clark, Robin Comstock

Chairman Shea addressed item 3 of the agenda:

3. Presentation of MDC's Strategic Plan.

Mr. Elias "Skip" Ashooh, Chairman of the Manchester Development Corporation (MDC), stated probably a month ago now you all received a copy of this report and the report is a product of about three months work that involved a number of the Aldermen, it involved people from the Department of Resources and Economic Development, we invited guests which included developers, people from the Chamber of Commerce...we tried to bring in as many different groups as we could to offer...as somebody said a self-critical exercise on who the MDC is, what we should be doing, what we've done well, where we need strengthening. A couple of key recommendations came out of this. As you know, the MDC is a Board of volunteers that basically serves at the will of the Board of Mayor and Aldermen. We cannot bind the City...so what we found is that our strength seemed to be in the lines of advisors, perhaps a think tank...we can be charged with a task by the Board of Mayor and Aldermen...for instance, the marketing of Bridge and Elm Streets...a piece of land that we bought on behalf of the City and held for a number of years and marketed it ultimately ending up with the project at Bridge and Elm Streets now. One of the key things that came out of this report was actually a comment that came from Stu Arnett who is the Director of the

Office of Economic Development for the State of New Hampshire and as an aside he basically said to me...the strength with MDC lies in the fact that we are great front men and what he meant by that is our role, I think, on behalf of the City is not only to explore topics but on behalf of the City, the Board of Mayor and Aldermen when a project comes along we are the consensus builders so to speak. We are the ones who are able to go out in the community and talk up a project and then come back to the Board of Mayor and Aldermen with what we found and make recommendations based on that. What we are not...and it's probably one of the major points why I'm here tonight...we are not professional economic developers, that is not our strength. We've had the pleasure in the past of working with private developers, working with Jay Taylor who was the chief of Economic Development here and we are at our best, I think, a resource for the City and to those charged with Economic Development. The other key point that came out of this was a recommendation by people at the State level, the developers we dealt with Dick Anagnost, Brian Dacey...some of the professionals who do this and the opinion was very, very strongly held, unanimous I believe at that time that the City of Manchester being the largest, most vibrant and probably most active economically in the Economic Development field does not have someone charged with the responsibility of not only coordinating those efforts but initiating those efforts, executing the plan and the vision for the City. As you are aware, the City has undertaken under the auspices of a couple of grants from the Economic Development Agency a study of the downtown and a development of an Economic Development strategy. This is a 10-year plan and what better person than an Economic Development officer to be charged with the execution of that plan and the monitoring of that plan, this is not a planning exercise. Once the planning is done you need someone for the City to execute it and so an Economic Development officer and if you take a look at the job description of that person there are probably 15 items or so...only one of those items involves the coordination of Economic Development efforts...much more of it is involved with the initiation of those efforts, the interface with the federal government, other municipalities, the State on matters of Economic Development. We also recommend that an Economic Development officer is and should be accountable to the Board of Mayor and Aldermen that person like any other department head is charged with specific responsibilities and should be answerable to the BMA for that. The suggestion that we made in this report which we think would be a very effective one... because Economic Development touches every part of the City than an Economic Development committee should be established that consists much like the Finance Committee of the full Board and that quarterly that the Economic Development officer would make those reports directly to the Board of

Mayor and Aldermen sitting at the Economic Development committee on the projects around town, initiatives being undertaken and so on and once a year an annual report on Economic Development in the City. Those tasks, I think, would create the first administrative and regular form of communication on Economic Development, it's the biggest business we have and this person would be charged, one of the only people, I think, in the City that would be charged with actually paying his own salary by expanding the tax base. That is really what we're talking about... someone whose sole responsibility would be to expand the tax base. We have some staff professionals in the City now that are very good at what they do, but there is no person that actually takes all the resources and guides them towards the accomplishment of that mission. So, therein is the gist of the report. I hope that you'll read it and if you have any questions you can certainly contact me or any member of the Board of the MDC. We all participated in it, I thank the Aldermen who did participate in helping construct that report and I'll answer any questions if there are any.

Alderman Lopez stated I'd like to make a couple of comments. I participated in this particular report, number one, and I think in listening to Mark Waterhouse at this conference and learning quite a few things about Economic Development. I've had a change of venue as to whether or not that we need a person, sort of a director that needs a point person or coordinator that we're talking about with all the expertise that Manchester Development Corporation, Skip, that you people do provide...I think recently a project that you're working on is JacPac, for example, with the Manchester Housing Authority...I think that's commendable and we have people in the community that have stepped forward and help...I think what we're talking about and what has transpired over the last year or so or longer is a coordinator and I think in the City of Manchester when people come to the City of Manchester (1) they want to be able to meet with different people and I think Mike Colby has sort of been the project coordinator in getting people together and having meetings along with the Mayor. It was a very good meeting, I think one of the major points that was brought out at the meeting was you don't need...if you don't see anything and you need people in retention, you need people in marketing and going out to do these things and if you don't have that you just take phone calls and work along those lines. I think in having people that are really involved in retention, which I truly believe in, I've had some discussions with you and had some meetings along those lines. I think we need "worker bees" out there, going out there and meeting the companies that exist in the City. I don't believe that we're going to get that with a highly paid salaried position. I believe that after numerous meetings on occasions that I believe we need an economic division, we need "worker bees" doing the work and being directed by the CEO of the City of

Manchester which I believe he is the economic engine, so to speak, in the City of Manchester that makes things happen. Now, Mayors come and go so you have to have a system in place...an economic division to put all of the pieces together which I totally agree with at the conference and I think the conference really came to Manchester and thanks to you and others who put it together (Bill Sirak) who I commend very much for doing that...I think that he did a tremendous job in doing this and it sort of opened my eyes more deeper into the working process of Economic Development other than titles of Economic Development. So, I just wanted to bring that point out to the Committees that I was one that participated, I'm very familiar with it and I think that Bill Sirak did a super job in opening not only the process but as to where we're going and how we're going to get there and what's the goal of the City of Manchester and I think MDC, Manchester Housing Development Corporation, Intown, the Chamber of Commerce...they do wonderful and without these types of people I don't think anything is going to happen because City government moves too slow and I think that we need to move it in a direction that we need "worker bees" out there.

Mr. Ashooh stated there's no question that what the City does not need is an order taker or a pencil pusher that's by no means what an Economic Development director, in our vision, would do. I want to thank you for your participation in that conference because it was over a long period of time and you have been involved with MDC over the last several years and we appreciate that support. But, I really think what we're missing here is exactly what the job description is of the Economic Development chief, whatever...coordinator, I think is too narrow a term. We have had in Manchester some tremendous success in Economic Development but it's come from a hodgepodge of teams that have been put together, I think everybody in this room recognizes the fact that in the last ten years most Economic Development projects have been accomplished by a team of City staff. Some people come out of City Finance, some people come out of the City Solicitor's Office, Jay Taylor when he was here came, Jane Hills, Bill Jabjiniak...people on the MDC on a volunteer basis...but, that team requires that you take those people away from their primary tasks and sometimes you tend to compromise those primary tasks...the City Finance Office really shouldn't be doing Economic Development. Their role is to really step back and watch the finances and advise the Board of Mayor and Aldermen on the propriety of what's the financing proposal that comes to the City rather than being involved in developing it. The same thing with the City Solicitor's Office and with MDC we are very pleased to participate and we always will. But, we are volunteers and we're not professional developers. I really think what you need to take a look at is the job description perhaps review it and tweak it to get the person that you want that will drive a project, not only attract them here but once a project is underway

and you have some huge projects going on in the City right now with no really one point person, everything's being done by committee. The only committee that should have a say over these things is the Board of Mayor and Aldermen when they get a report from the person charged with accomplishing that task. So, I think we can agree that there are tasks that need to be done. I think we probably need to revisit what the description is of an Economic Development person and be sure we're talking about the same thing.

Alderman DeVries stated, Skip, certainly you've been involved in several very large projects for the City...the Verizon being one of the projects you have seen which I would imagine has required the coordination of many different departments in the City working together at any given time to accomplish a task and I think that's probably one of the concerns I have had...eliminating someone with a level of authority...chief at the top of the Economic Development Division that would have the ability to facilitate some of the necessary tasks and I just thought that maybe you could speak to your past experience that you have seen. If we did shift to primarily the "indian" the task worker, "worker bees" I think was the term that Alderman Lopez had used and do not have somebody with a level of authority at the table, have you seen from your experience anything that would have been lost or could we make it more tangible than a division.

Mr. Ashooh stated I think one of the reasons we talk about the job description is we're really talking about attracting business versus the execution of a plan once it's here. With the arena we had the luxury of having someone like Jay Taylor who had 35 years experience, he probably had 30 years when e started the arena and ended up with 38 years by the time we got done. But, Jay was a key part of a team that acted on behalf of the City and it was Jay's responsibility, so he acted as convener, he participated in all levels of this but was able also to call in the resources of the MDC when he needed them to do it. So, really what you're talking about is that person charged with the proper execution of the monitoring of and protecting of the City's interest once you get into a project and I don't think that's best done by a committee. I think you need to have one person who's job it is...the same way the City Solicitor has a specific job or the Finance Office has a specific task, someone in charge of Economic Development, I think, needs to be able to be there to execute it to be responsible for it and to answer to the Board of Mayor and Aldermen. Having people in the field to work with companies...they can only work at a certain level. At some point you need a peer-to-peer relationship, you need a chief of Economic Development for the City to talk to the chief of the project that's coming into town. Whether that be someone like a Brian Dacey or the people at the baseball park or whatever...one person who basically is charged with that responsibility and who reports to the BMA.

Alderman DeVries stated could you give me your thoughts...if we were to look at facilitating this Economic Development Division through consolidation into the Planning Department to create more positions for the worker bees, do you see that there is a conflict between the duties of the Planning Department versus the duties of the Economic Development Division?

Ms. Ashooh replied there's a debate there. There's some discussion as to whether you'd put a regulatory body in with in essence an enterprise unit which is what an Economic Development Office would be, it would be an enterprise unit, but I also think you need to consider the fact that Planning as most City departments are is already and adding the responsibility of Economic Development, driving Economic Development through Planning, I think, is going to strain those resources. We've basically gone from a very large and viable Economic Development unit when you go back in those years when the MHRA was a much bigger organization and when you had a City Coordinator and you had an Economic Development Office down to Destination Manchester and Jane Hills whose primary task is job retention and she's so busy she really can't work on that. There's a void that's been created I don't think out of any grand design but more through attrition and that void, I think, needs to be filled especially on the scales the City is undertaking now.

Chairman Shea stated I did want to indicate that one of your suggestions or thoughts was that there should be an Economic Development Committee established by the Aldermanic Board and I tried to do that and it was vetoed by the Mayor, I just wanted you to know that we did have that thought in mind. Unfortunately, it did not receive 10 votes, it only received 8 votes so that was the thought that I did have whether the Economic Development Director would be selected or whatever and I thought that that would be a little bit better in terms of making sure that we were all in the same situation and understanding what was going forth. I just wanted to mention that.

Alderman Porter stated I read this...could you explain what Mr. Sirak or the committee was saying when he talks about somebody who has "clout". Jay's name was mentioned, he's talked about more since he retired than when he was working...this is in no way a reflection on Jay Taylor. I think Jay's "clout", if you will, was his personality, his knowledge of the City, the way he conducted himself...but, Jay, himself was not a lot of cold calling to create business opportunities in the City and I'm not faulting Jay...number one, he probably didn't have the budget to do the things that would be needed to go outside...up and down 128 or Washington...whatever it is as a creative sales person and nothing I say is in anyway...the man happens to be a personal friend of mine and I hope he always will be...but, what do you mean by "clout". As an Assessor we

dealt oftentimes with developers prior to them even becoming public because they wanted to know a number of things from the Assessor's...how much will they be taxed and equally as important when will that tax kick in and how will we be treated during the phase in or absorption period in a major development. Could you explain what you mean by "clout"?

Mr. Ashooh replied actually that term...again, it is one that I think that has been debated because "clout" means different things to different people and when we talk about the execution phase of a project that the City has undertaken "clout" I think was generally meant to mean someone prior to Economic Development in the City who had the ability to convene department heads and other resources to bring them together to set up coordination meetings and the like. It doesn't necessarily mean that you create a super department head but whose role is recognized as being the one that would bring a Public Works together with Building or whatever, with the Assessor's Office to act as a convener to bring all of the City weight together in the accomplishment of a project. As you know during the arena we worked with your office on a number of issues and I think it was ultimately Jay who would call these meetings together. Jay's clout, I think, came from the respect he had in the City and people would work with him on that basis. So, "clout" doesn't necessarily have to be part of the job description and I think with most department heads that "clout" is earned, it's not necessarily bestowed by getting a job.

Alderman Porter stated that my concern is that I think we're envisioning an Economic Development Director who can come in...we want you to do this, we want you to do that...every department has their mission and many of them are done statutorily...either by State Statute or City Ordinance or both and I don't think it requires a master's degree to be able to pick up the phone and know which department's to call to have a meeting and my position is...and I really don't like to hear when someone says I'm anti-development because I don't happen to subscribe to going outside and hiring someone. I'm definitely pro economic development. I guess it's just a matter of how we go about it. If you and I both go to Boston you may go down 93 and I'll go down Route 3...we'll both get there using a different approach and I believe that we have people on our staff who should be given the opportunity if they want it to be able to fill that position. I definitely think we need an Economic Development Director, we have two people in that position and I would hope that either or both would be able to succeed and follow Jay, be able to make the right calls at the right time to people...are we looking for a super salesman...I don't know whether that will work...and you hit on something that has been a pet peeve of mine...I don't know how it's evolved...but, the most influential people with "clout" in this City, not the Board of Mayor and Aldermen...the Finance Department, they have led as head

cheerleaders for many of these projects. Some of them didn't materialize and, of course, they'll take the credit for the good ones and then someone else is responsible for the ones...like the power plant and the Board of Aldermen never even found out that that was no longer going to exist...we've had a number of these things. Personally, I think the Finance Department has gone way too far out of their fiduciary responsibility to the City and getting involved in areas they don't belong and that may not be their fault because maybe they've been asked to do it either by the Board, the Mayor or MDC or someone else to do that. So, I do think that whoever we have to do that Economic Development directing would take that part over...I do not think we need to have somebody of the high power that you're talking about to coordinate meetings.

Mr. Ashooh stated I think, Alderman, a couple of things...as far as Finance goes or any of the other City departments that weigh in that's basically what happens when you create a void. The task still has to be accomplished and whether Finance is asked...they're almost always involved because it involves Finance, but other parts of the City staff have had to come in and fill the void where someone charged with the Economic Development responsibility has not been there. It has only become more visible since Jay's retirement, but the situation was always there and as far as the power plant and things like that you can point things in a lot of different directions. If you had an Economic Development Director you'd be pointing the fingers at him and that person's responsibility would be to develop that plan and bring it directly to the Board of Mayor and Aldermen where it should be decided and then last we are authorized by the Board...we, City staff/MDC were authorized to do a search, to go out and get applications for a potential Economic Development Officer and that process is open to anybody and I think if you're going to hire somebody for City service you have an obligation to see what's out there and I guess my question of you would be regardless of the pay scale why not the best available at whatever the City's going to pay and we don't know that unless we really go through the process and see what's out there.

Alderman Forest stated I know I participated in that research with you and Bill and all that...Alderman Lopez reminded me about Mark Waterhouse, he talked about economic development in other cities and states and I believe he said that a city that stands still actually falls behind. I've been very fortunate, along with a long with a lot of the Aldermen here that when we were first elected it was the first year that the Verizon had opened that year and we've since had the Fischer Cats, we now have the Bridge and Elm project, the plywood boards along Elm Street have gone somewhere else. So, Manchester has done very well over the last four years and I think a lot of it holds true with Jay Taylor and Bill Jabjiniak and also Jane Hills but both Bill and Jane have been working hard in their own expertise in different directions, you might say, and most of us I think at this point have made



up our minds where we're going with this and I believe we should have one. I think no matter what the salary and I don't think it's \$94,000, I think it's more like in the \$50,000 or \$60,000 range...whatever, I think an Economic Development Director in this City is going to pay his own way and he's going to bring in a lot of money for the City and I would go for the Economic Development Director.

Alderman Porter stated I don't think there's anyone in this room that would not support having an Economic Developer for the City of Manchester, I don't think the issue is whether we have an Economic Developer...whatever you want to call it, the department, an individual...I think we all know it's necessary it's simply a matter of do we go outside or do we stay from within. We already have two people within the budget, within the financial framework and in my opinion one of them should be able to do the job; that is where I come from. I do want a Development Director.

Alderman Lopez stated when the questions are all done I was wondering if we could hear from Mr. MacKenzie.

Chairman Shea stated I would just like to get through this particular item and then we will hear from Mr. MacKenzie.

Alderman Roy stated thank you, Mr. Chairman, for some latitude since I'm not on either Committee. Just a few questions for Skip from some of the things that you've said not only at this meeting but at the MDC meetings. You've referenced that this department could pay for itself. Could you elaborate on that.

Mr. Ashooh stated this is actually the only department...you have other revenue based departments, enterprise units and the like...this is the only department whose responsibility would be to bring business and development to the City... basically increase the tax base, a very measurable form of job performance and I think that's how you measure the success, it's the quality of the development, it's the increase in the tax base...we're getting ready right now for revaluation that we're hoping is going to show the effects of economic development around the arena, around the baseball stadium and the like...that is a real bottom line, that's a hard number to take a look at and having someone in that position that is their job, they are to increase the tax base. They are to, hopefully, do something I think Alderman Porter brought up and I saw in the paper the other day about what's happening with the taxpayers, the residential tax burden is getting larger all the time and the commercial tax base isn't. Now, I think that Economic Development person needs to have one of those things as his responsibility...increase the tax base, shift the burden back onto commercial away from the residential taxpayers; that's why I say this person and this department should pay for itself.

Alderman Roy stated, Skip, the primary focus of three employees of the City fall into economic development, we have two actually in the MEDO department and one in the Mayor's Office as a Destination Manchester Coordinator and I'm going to ask you a very specific question based on your experience and your work here in the City and as Chairman of MDC. If you took all personnel aside, just job descriptions...an Economic Development Director, an Assistant Economic Development Director, a Destination Manchester Coordinator and two, for lack of a better word, "worker bees" lower paid staff members and put together a budget of \$300,000 do you feel that they could create \$10 million worth of tax base to cover their department costs per year with your experience in what's gone on in the City?

Mr. Ashooh replied I would be disappointed if they couldn't do it now, we are in the middle of the greatest economic development boon that the City has seen in years and years, but the opportunity is obviously there. Depending on whether or not the City can maintain the momentum that it has, this is another point that Mark Waterhouse made...economic development is momentum based. If the City doesn't take the initiative to maintain the momentum in economic development now we lose it and as we said it will come to a stop. So, you want someone to drive that process and if they drive that process you have a reasonable expectation that they would increase the tax base enough to pay their way.

Alderman Roy stated one final comment to the Chair and to the two Committees we're looking at the Riverfront project which is a \$40 million tax base initiative brought forward by a number of people...the Mayor, the Board of Aldermen and a number of departments in this City accomplishing economic development and that is to cover the cost of a ballpark which will give us revenue and an economic development structure in the future much like the Verizon did, but it's not a renewable source. There will get to be a certain point where that area will be developed and it's one area of the City. We need to look at a department that's going to focus throughout the City, focus on areas out in Ward 6 and the Industrial Park, Ward 12 up on Hackett Hill, Ward 1 through some of our commercial streets to reduce the burden on the taxpayer, I personally believe that if we can accomplish \$40 million for a ballpark we should be able to support \$10 million in tax base that would cover the cost of an Economic Development Department that would have the clout that it needs to keep the City's initiative moving forward.

Alderman DeVries stated I have a couple of thoughts but I think I'll start and I guess I'd have to thank the Mayor because he had appointed me a couple of years ago onto a committee that was really insightful and helped me form some background for economic development and Jane Hills will well know that the City's community economic development strategy...it put me in the middle of a

group, mostly private sector individuals that were brainstorming about the future not just direct economic development but all of the supporting factors that need to go into the picture in order for the City of Manchester to develop a strategy in order to authorize bonding through some federal agencies. Now, out of that I think I learned some of the intricacies of coordinating the effort. We're looking at Hackett Hill today that we wish to develop for our future industrial or business park. In order for that to happen the DOT needs to prioritize a new exit ramp off of the Everett Turnpike to really make that project feasible. But, I guess what I learned and there are so many others having the proper phase three power, getting PSNH to the table to prioritize it as one of their projects, making sure that basically the stars are aligned, if you would, in order for a project to happen. But, when we look at this position I guess my thought is that we're not just looking at coordinating, picking up a phone and getting certain departments to a room to meet with an individual developer. It often seems to have a lobbying component be it at State level or with large utilities or large businesses. Have you seen the same sort of historically where lobbying is very important?

Mr. Ashooh replied without an Economic Development Director certain things have happened that I think could have happened better with one and one of the responsibilities of an Economic Development Director is the interface with the federal government. Senator Gregg's office has been very good in working with the City and has brought some significant money here, but an Economic Development Director should have been at that table representing the City as a whole and it's part of the piece that's missing, but it wasn't just to wait for Senator Gregg's office and the Chamber of Commerce to develop this and then have the City step in. The Economic Development Director should be initiating those conversations and I think that's where we've had it in the past when the I-293 widening was first mentioned...Jay was here, had good relations with the former head of the DOT and current head of DOT and so those conversations were taking place at a peer level where they should be and I think that is missing now.

Alderman DeVries stated you had spoken to the City of an Economic Development Committee that you'd like to see formed and I think it might have been a little bit of a different vision, if I remember from your report, from the Committee of Aldermen that has not yet successfully passed through this Board and I just thought that maybe you could address that and speak to that...what is your vision for an Economic Development Committee?

Mr. Ashooh replied it's not my vision but it is a vision that was developed through this exercise and one of the interesting things about economic development is that sooner or later it touches every part of the City. Alderman Roy brought up a number of the areas in the City that need some economic initiative and I think the

thought of having a topic as broad, as expansive as economic development handled by a Committee of the full Board would not only have all the Aldermen involved in economic development decisions from the get go but it would also tend to depoliticize it. As you know, if you have a committee that's too small you can have a committee that might not represent the interests of the full Board or the full City. We simply took the view that the Finance Committee works very, very well and you're talking about issues that can have as broad an impact as what the Finance Committee holds, so why not constitute the full Board as the Economic Development Committee. Separate chairs however you handle it but we just thought it would be the best way with an Economic Development Director to have that Director report to the full Board in Committee as Economic Development. Nothing more than that.

Alderman Lopez state just a comment and I don't want to prolong this either but the committee structure of the Board of Mayor and Aldermen has worked very good, the Civic Center Committee when Dave Wihby was there and Dan O'Neil and Bill Cashin was a different tune on economic development. I respectfully disagree that the committee structure...because there are a lot of things in the committee structure that needs to be ironed out either with the committee and the different things that happened in economic development have to be done, but it's amazing that we keep saying that we need this person but yet we've been able to do a lot of things in the City of Manchester thanks to people like yourself and others (Bill Sirak, Jay Taylor, Ray Pinard) and we can just go down the list...that we've been able to give you the authority to do Bridge and Elm Streets, Jac Pac, we just gave the Manchester Housing Authority the authority to do Hackett Hill and a Master Plan that this Board has approved, so I don't know how much more there is in the City that we need to do major construction other than retention and marketing and back to my point of the "worker bees"...the Mayor's Office is really the point person that can pull people together and I don't believe that no matter who you have, I believe that Tom Clark is going to be involved, I believe that the Finance Officer is going to be involved no matter who that person is...without these two people nothing is going to move in the City because they have that fiduciary responsibility to the Board of Mayor and Aldermen and to the City. So, if it's finances you have to include the people...so, I really believe that we're talking the same thing as Alderman Porter said it's how we get there and that's the only point I want to make.

Chairman Shea stated I just want to pick up on the fact that my colleague mentioned when I suggested that we have an Economic Development Committee my thoughts ran along the lines that in order to be an informed Board of Mayor and Aldermen the same as the Manchester Development Corporation is an informed Board because each member understands what's going on, it's necessary

for the Aldermen to know exactly what they're going to be voting on and there's fore in the past there were several issues that came up that some of the Aldermen, I don't say all, some have mentioned we really don't know exactly what's going on because we don't have all of the information. So, my thoughts along with other people who I discussed the project with indicated to me that it would be helpful for a committee to be formed in order to discuss with whomever, whether it be someone that's appointed as a director or some members that are part of another department to come before this committee occasionally and indicate to them where they're going and where things are at so that a report might then be submitted to the rest of the members of the Board. So, with that said maybe you can conclude and then we'll move onto the other item.

Mr. Ashooh stated we're talking primarily the same lines. We were looking for a way to get someone responsible for economic development, have a direct line of communication to the Board of Mayor and Aldermen to keep them informed and to do that on a regular basis, not just a project basis. For instance, what we're envisioning is a quarterly and annual state of economic development in the City of Manchester but also have that one person who has his hands or her hands on all of the projects and is there for the Aldermen to ask questions of at their pleasure. I'll be frank it's also important to have an Economic Development Director in charge of these projects because elected officials shouldn't be doing this. There needs to be for elected officials, I think, an arms length, some protection from the mistakes that may be made, could be made along the way and that this body as elected officials should be able to pull back to have the projects presented to them and have that distance so that they can make a correct judgment and not necessarily be too close to the deal, that's what an Economic Development Director does, it creates also a buffer. They develop the project, they come, they communicate it to you, you ask questions and then as an elected body you can make decisions on it. We just happen to feel that the full Board acting as an Economic Development Committee has the broadest political spectrum and therefore would be the most effective way to communicate first person to everybody at the same time. I thank you very much for the opportunity to address you on this and if you have any questions you all know how to get a hold of me, I'm always around.

Chairman Shea stated on behalf of the two committees I'd like to thank you for the presentation.

Chairman Shea addressed item 4 of the agenda:

4. Discussion relative to the Economic Development Director position.

Alderman Lopez stated I think it's very important to set the stage as to how we got here today because of a new direction that when the former Economic Development Director did retire we needed to do something and one of the recommendations was to have an Economic Division in the Planning Department. Although you received the material in reference to other aspects of the Building Department that is no longer true. There were only three actions taken and that was to move the administrative support person of the Zoning Board of Adjustment from the Planning Department to the Building Department and create a Plan Review Team and move the current independent Urban Ponds Administrator into the Planning Department. Those three actions were done by the joint committee back on January 27, 2003. So, one of the things we talked about without really going into a lot of dialogue in the minutes which you've already received is one of the recommendations was making an Economic Development Division in the Planning Department and we did not get to the aspects of the Planning Division reporting to a committee and setting the parameters that this Planning Division would operate under. It was recommended by Jay Taylor, Bob MacKenzie, Leon LaFreniere and this was a committee that was appointed by the Mayor. Since then, we all know that there has been a different switch as to which way we're going but I think that's where the "worker bees" are going to be and whether they're at Planning, whether they stand alone, whether they report to the Mayor or whether we even give them to MDC as far as that goes somebody has to go out and do the work and somebody has to direct. I believe that the Mayor of the City being the CEO can direct any department head he wants, anytime he wants and I know that Mike Colby of the Mayor's Office coordinated many of things for department heads on behalf of the Mayor. So, to me, that's the point person...so, with that if Mr. MacKenzie would just elaborate on that portion of the Economic Division in the Planning Department I'd appreciate it.

Mr. MacKenzie stated thank you very much, members of the Committees. I guess I just wanted to start a little bit by briefly talking about my perspectives on economic development because I do tend to take a slightly different view being more of a City Planner and I think you have to take a broad perspective. Why do businesses come to Manchester, why do we have an increase in jobs...if you talk to companies like AutoDesk who moved to Manchester, Allegro who recently moved to Manchester from Concord, the renaissance in the Millyard and the different businesses it's not necessarily because of an economic development unit per se. It is because we're becoming a great City and the best thing we can do for economic development is to make sure that we have good parks, we have good

transportation, we have a great airport terminal, the schools are improved, that we have people willing to work with developers through the City not just in one office, that we have a stable tax base, it's all of these things together that makes Manchester attractive and I think we're all trying to work on that: the Board, the Mayor as CEO, our Planning Department, Finance, Solicitor...we're all trying to work on that and we have to all work on economic development to make it happen. I think we should also recognize that Manchester has come so far in the last 10 years and I don't want to underestimate what's been done by the existing staff including Bill Jabjiniak, Destination Manchester Coordinator Jane Hills and others. I take as an example the taxable base of the downtown. For 60 years the downtown's assessed value declined. We saw a major decline until a year and a half ago, that has turned around. For the first time in 60 years we've seen an increase in the downtown tax base and why is that happening, it's because of all of the work that's been put in in the past 10 years and the past few years. So, there is a lot of working being done now from the Bridge and Elm Project, to Riverfront, to additional mill projects, to housing opportunities...there's a tremendous amount of economic development work going on in the City right now which I think we can all be proud of that. When it comes to the two types of ways you can get there you can have an Economic Development Office, you can have a combined operation...cities across the country do it both ways. In more cities actually going to a combined unit where it's planning development and other programs. From Nashua to Concord to Providence they are moving in that direction just to coordinate all of the complexities of development, but it can work the other way as well from Hartford to Portsmouth to Portland, Maine...there are two models that you could adopt to make all of this work. What I think is more important is that ultimately this Board has to have a very strong consensus if they want to see economic development and a strong consensus about the approach to take. But, whether or not you make an Economic Development Division within Planning, I think that's still viable, it can work or if you have a separate unit with a new Economic Development Director it's more important than the structure of how that happened, but the Board of Mayor and Aldermen is strongly behind the economic development and is strongly behind the type of mechanism they chose to get there. So, I did just want to put that on the record.

Chairman Shea stated I want to compliment you for giving us those options that's very nicely done. Thank you.

Alderman Porter stated I agree totally with what Bob is saying because the first thing that people look for when they come in here would be schools, taxes are always a consideration, but it has been and I can't take credit, I will acknowledge the credit for former Boards...I think the great success of Manchester has been the willingness of the taxpayers to bear some of the taxes that go toward funding

economic development because it is not a cost but rather an investment into the City and I think we have to be a little bit cautious because I happened to have gone through a horrendous time as a member of the Board of Assessors back in 1991 when the banks were locked up and I don't care who you were you could stand on your head and you weren't going to increase the tax base. We had a negative growth back in that area and it's something that nobody could control and I think that there are a lot of good things already in place in the City of Manchester, mostly the Board of Mayor and Aldermen have been willing to put forward some investment money for development but also the taxpayers...I believe we have some pretty good people in place at the present time and I'll just refer back to what I said before. With all of these things in place and I don't think we've lost momentum. We've got a number of projects going, I think one thing I would caution everybody about is it's great to have residential because if you're going to be an employment center you have to have places for people to work but the Verizon hasn't really brought in any new office buildings or industrial parks or anything of this nature which is really the area that we should, I think, be zeroing in on to assist in stopping the taxes from escalating as they have been there's no question about it. Residential is good but as you know, Bob, residential is the first hit in a downturn in terms of apartments/condominiums. Back in the early 90's as we saw and there's nothing to say it can't happen again, we hope not, I don't anticipate a crash like we had. But, we were seeing commercial properties take a hit for forty, fifty, sixty percent when Bonnem came in and took over all of the portfolio of the major banks and five of them housed here in the City, headquartered right here. So, I think we are going along at a very good pace and I just believe that there are enough things in place for us to be able to do it internally without having to go outside and get some high powered person, I just don't believe that's necessary.

Chairman Shea stated, Bob, if I may. May you just kind of elaborate...if, for example, your particular department absorbed the Economic Development unit how would you...would you come up with some sort of a scheme, some sort of a plan, would you be able to present something that might be helpful. Whatever the monetary costs might be, is that possible?

Mr. MacKenzie replied I still think, in general, compared to other cities we are competing against we have a very small economic development staff and one of the things that we had proposed a years and a half, two years ago was that we should be looking at two people rather than one director. I think we need to have someone who can really focus on existing businesses and business retention. Jane does a lot of that work but she's twisted and torn between a lot of different requirements, but we need someone to focus on that. Someone who can go out and talk to the businesses, hear what their problems are and keep working on



them. We also need someone to focus on development projects, new development projects. We have a Destination Coordinator that focuses on the downtown. We don't really have anybody that focuses outside of the downtown new development projects. And, certainly, I think we do need someone who's involved in marketing. We have relied primarily on the State, DRED to do our marketing and outreach to other areas. I think we have to have a person that's good in marketing and a person at public relations. Public relations is critical to create an image of what a community looks like outside of Manchester and we have to have someone out there working on both that public relations and marketing. So, at the time, I had proposed that there be at least three dedicated people working on those three functional areas.

Chairman Shea asked how would that impact your Department of Planning?  
Where do you see the transition in your department being in relation to this phase?

Mr. MacKenzie replied I would see physically that economic development...I don't see an issue of it being a separate location. I think that it can have a separate location, it's just that we would work more closely, I would probably directly supervise the three people if that were to happen. We would simply coordinate more of our activities and I would then take some additional focus in terms of overseeing economic development. So, I don't see a tremendous change in terms of the location of people. I would, in essence, like to see additional staff resources to work on economic development because it is very important but I wouldn't see a major change. We have worked for years together be it Jay Taylor who I worked with decades with and Jane Hills and Bill Jabjiniak. But, again, some additional staff people I think are necessary to move the City forward.

Chairman Shea stated when Alderman Lopez was speaking he indicated that presently the Finance Office as well as the City Solicitor is involved in projects. Do you see this as a bringing together of this process or a separation of this process that is now existing?

Mr. MacKenzie replied one of the things I'm really proud about and one of the reasons I've stayed in the City over the years is that we have a great team of people who can get projects done and you can't take away the committees, I don't call them committees, I call them teams. If you've got to get something done with complex development projects that are worth tens and sometimes hundreds of millions of dollars you have to be able to work with the Finance Department, the Solicitor's Office, the Highway Department, the Traffic Department, the Assessors and everybody else in the City, you have to work as a team to get it done and I guess I'm proud of the fact that we do that now to accomplish projects and you can't get rid of that, you need the legal aspects and the financial aspects.

Chairman Shea asked but do you see this complimenting that process in terms of making a greater control of what's going on. In other words, having more insights as to where this is moving rather than a disjunctive kind of situation where you have...if it were to be an Economic Development Department or Director or someone in that phase of it working one way and then being part of your particular department in another way? I'm not sure if I've explained that properly but I think you've gotten the gist of what I'm saying I'm sure.

Mr. MacKenzie replied sure. Either way, I tend to agree with Skip that you need a cheerleader for economic development. You need someone who when it comes to economic development there's a team captain who can draw on the resources of the City. If you hired an Economic Development Director it would be that person and certainly I'd be happy to work closely with them. If you change the organization and brought it into a division in the Planning Department I would be that cheerleader and the facilitators as the way I look at it. You will still have to continue to work with all of the departments to make it happen because without their cooperation and support and the leadership of the Board of Mayor and Aldermen things are going to start to slow down.

Alderman DeVries stated I guess we would all agree that the majority of the open space left in the City of Manchester sits within Ward 6, Ward 8 and Ward 12, if you would agree.

Mr. MacKenzie replied yes.

Alderman DeVries stated a lot of those lands and I certainly am well-aware that a lot of those lands are less than ideal. Our high and dry spaces tend to have already been developed and we have a lot of very difficult land left that not only for residential use but also for business use they become rather complicated...they have pockets of wet or other issues that are being dealt with. I also know because you happen to have been one of the first departments that I turn to that when I look to protect or maintain a quality of life within my ward, Ward 8 and I know Wards 6 and 12 have similar issues because they haven't been as vastly developed, they still have those pockets of green space and open space...your department is probably the first that I turn to assist me and looking for a way (planning) of maintaining that quality of life and maintaining some of those green spaces. So, you'll remember some of our earlier conversations and it's been an education, I think, for both of us over the last three years. I just would like to know...now, assuming that you are a department head that is going to be in charge of the developing of these spaces and also the department that we are turning to to assist

us with maintaining quality of life issues and helping us save some green space in the City which side are you going to take? Or, how are we going to maintain the public trust that we do have a watch dog that these citizen issues as well as somebody who is out there looking to help us with our taxes because that's where I see the divergence.

Mr. MacKenzie replied that's a fair question. I can only tell you that I go back to my first statements in terms of what makes a great Economic Development community and I think that's a good quality life with a good school system and everything else. So, we cannot throw away some of our most valuable resources including some of our conservation resources because we'll be shooting ourselves in the foot. When we looked at Hackett Hill and that's the example I use, again, I work very closely with Jay over the years in developing that and now Jane...I think we reached a good balance that will attract business and be attractive to business and yet we have created the largest conservation area...roughly 600 acres on Hackett Hill than the City's ever created and I think that's the type of balance you need to be attractive to business and I think that we can reach those balances in performing Economic Development. So, that's all I can say. I think that there is a balance needed in a community that I am one that tries to balance those and yes, I would be on the balancing as opposed to raising the flag to say we have to develop all 800 acres on Hackett Hill Road because I think the overall value to the community is a balanced approach. We need park land, we need conservation land because that's attractive to businesses, some of the businesses we've talked to about Hackett Hill say one of the things we're interested in on Hackett Hill is you have this big 600 acre preserve and it's a unique natural area, but that's a marketing tool and that's important to the City.

Alderman DeVries stated but I think my concern because we know it's going to happen eventually, we are going to have a future employer come to the City want to build a project that will give us jobs, give us an additional tax base, it's going to happen and there will be a tradeoff and you will be placed in a very difficult position that either are looking at the Mayor's Office and a few staff at the time as well as many other individuals that will be pressuring you to somehow find a way to make it happen, a compromise will be made. The public will never believe that we are maintaining a balance, it's the perception if not the reality that there has to be somebody who works with the Aldermen to maintain the quality of life and the green spaces is somewhat of a protective mode make sure that all of the buffers are in place and that the neighborhoods that are impacted...planning for streets and traffic and such and then on the other side there is somebody who is helping us to maximize the tax base and create new jobs. They do have to come in for a balance but if one person is in charge they are going to be torn and that's my opinion that there are going to be pressures...at some point they are going to have

to make a decision that they may or may not want to make and the same points that were made about protections for the Board of Mayor and Aldermen of having an economic developer, I think it is very nice for a Planning Director to have his ground gone and have the protection of this is what I need to do as a Planning Director and Economic Development has a little different mission.

Alderman Lopez moved that under the authority of the Board of Mayor and Aldermen under Section 3.01 of the City Charter that effective February 10, 2005 that we adopt an Economic Division Development Group within the Planning Department meaning that the Manchester Economic Development Office and Destination Manchester Coordinator shall be part of that division within Planning, all paperwork to be accomplished to do this will be done by February 10, 2005. Alderman Porter duly seconded the motion.

A vote was taken on the motion. Alderman Shea, Osborne, Porter and Lopez voted yea. Aldermen Sysyn, DeVries and Forest voted nay. Aldermen Garrity and Gatsas were absent. The motion carried.

There being no further business to come before the joint meeting, on motion of Alderman Porter, duly seconded by Alderman Osborne, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee